

**TO: Maarten Terry****DATE: April 19, 1996****FROM: The Racing Group****SUBJECT: Toyota Grand Prix of Long Beach****Race Results (Attached)****Pack Sales**

Carton sales were increased from 1995's Long Beach race by 16%. There were 2 pack sales trailers at this race. Trailer #2, located at the front of vendor row, near the Expo Center had higher sales because it was located in an area heavily traveled by race spectators. Trailer #1 was located on the west side of the track, across the street from the Expo Center, near the west-side grandstands. The only reason for a spectator to visit the west side is if their seat was located over there. Nonetheless, the sales at Trailer #1 were not considerably lower than Trailer #2.

The new race watch and race day kit performed well again. Sales for the Long Beach race specific t-shirt were not as high as the Marlboro Grand Prix. As such, I do not recommend that we increase the quantities for the remaining races.

Please see the attached sales reports for more detailed information.

**RESULTS:**

- 1) Total Carton Sales: 3,048
- 2) Incentive Purchases: 4,792
- 3) Name Generation: 17,040 (includes Expo)

**Trailer #1:**

Friday: 1354  
Saturday: 2054  
Sunday: 1429  
**Total: 4,837**

**Trailer #2:**

Friday: 2143  
Saturday: 2820  
Sunday: 2060  
**Total: 7,023**

**GRAND TOTAL: 11,860**

**Field Sales Force**

After the Long Beach race, it was decided that 10% of the hospitality tickets given to the Sales Force will be kept for any requests the Marlboro Racing staff needs to accommodate. In the past, we have been in a predicament of having maximum capacity at our media trailer and not having access to the FSF hospitality tent, which forces us to have to ask for tickets back from the FSF or squeeze extra people in the area.

This year's Long Beach Grand Prix was the first for Lindsey Levine, SOM for Section 54 in Pasadena, California. He was very diligent in trying to learn as much as possible about the

2048204775

event and how to accommodate his customers for the weekend. His staff was very thorough and performed a great job with ordering the food and beverages for the tent, handling and distributing the goody bags to the guests in the tent, and assisting us with guiding the guests through the track for the RPM garage tours.

Retail bannerling was very low in the immediate area around the track. Roger Otero, Logistics Manager for Section 54 explained that this was partly due to California's anti-legislation concerning tobacco products. I have asked Roger and Lindsey to organize a plan to address this issue for next year. Greg Leonard and I will review their recommendations with them at a later date.

### **Pole Award Presentations**

Saturday, April 12: P.R. Presenter: Jerry Seinfeld

This was the first race, since the start of the season that we were able to use the 1996 Marlboro Pole Award E320 Sport Mercedes Benz as a backdrop for Saturday's check presentation. Transporting the car into the Pit area to the Pole winner's pit went very smoothly. All the problems we experienced with the Marlboro Grand Prix presentation were addressed with Indy Car on Friday morning. The presentation went extremely well, and Marlboro received very good exposure in the newspapers the following day.

Sunday, April 13: FSF Presenter: Dick Gonzalez, V.P. Human Resources, VONS

### **Direct Mail**

#### **Tent Location**

The Direct Mail Redemption Tent was in a good location. All our customers are very familiar with the tent's location on the northeast corner of the Promenade and Ocean Boulevard, directly across the track site.

The local authorities did not make an issue of the Tent's location this year. We made sure the city provided to us in writing a guarantee that the Tent's location fell under the Promoter's agreement with the City of Long Beach.

#### **Ticket Distribution**

##### Phoenix Marketing: Grand Prix of Long Beach Data

<u>Day</u>	<u>Vouchers Distributed</u>	<u>Vouchers Redeemed</u>	<u>Redemption %</u>	<u>Free Gifts Red.</u>
Qualifying	3000	2003	77	600

##### Points to note:

- Redemption totals increased by 11 % over last year's Qualifying Day.
- 301 Ticket Redeemers had no vouchers, or 15% of total vouchers redeemed.

2048204776

- The Long Beach promotional tickets are for unreserved seats in a grandstand reserved for general admission seating. For 1997, the mailings and vouchers should indicated unreserved grandstand seats.
- We ran short of headsets, but took an imprint of the ticket winners cards who requested them. They are being mailed from NeoData the week of 5/6/96.

## **Showcars**

The Marlboro Showcar is a \$600 / day off-track promotion that we primarily provide to our Field Sales Force in the various markets where a race is being held. In Long Beach, we also scheduled Showcars at Penske Auto Centers and the Long Beach Expo at the track. Its purpose is three-fold: to promote the Marlboro Brand name, reward valuable Marlboro retailers with a public interest display and encourage the general public to come see our race cars perform.

The two ways in which the promotion is gauged a success is through name generation and foot traffic.

Due to a gap in the race schedule between Miami and Long Beach, the Long Beach area was provided with 65 Showcar days. Determining that this was a high number for the

Long Beach marketplace, it was indicated in a memo to the sales force that this promotion should be spread throughout the Southern California region. This did not take place and many cancellations ensued. It was determined that the North Long Beach area is heavily infested with gang activity. The area borders Compton which has a reputation for the same type of problems.

Overall the sales force were remorseful about the incidences and wish to formulate a successful program for '97. The Drivers did indicate that some accounts did do overwhelmingly well in regards to name generation and exposure. Some members of the sales force were readily showing up and helping the promotion with retail based incentives.

Penske Auto Centers which did not have any pre-scheduled Showcar dates for this race helped us find alternative locations for some of our cancellations. A total of 3 Centers had access to the Showcar promotion.

The Showcar on display at the Long Beach Expo got tremendous exposure due to its distinguished location in the inter-active game area of the Exposition. Unlike many other visually unique vehicles that got swallowed up in the Automotive Display area of the Expo, ours was far from the saturation and much more identifiable.

## **Recommendations**

We've documented the apathetic retailers and will provide a list to the sales force in '97 these specific accounts that we strongly discourage from being scheduled. As well we are now aware of the areas that may pose a physical danger to the promotion and will refuse to confirm any locations to retailers in these sensitive parts of Long Beach.

It is important to stress to our sales force in Long Beach that the race is a Southern California race and should be promoted as such. Showcars leading up to the race should be scheduled as far North as Santa Barbara and as far South as San Diego. Due to the enthusiasm generated in Southern California providing an abundant number of Showcar days to this region is beneficial to the program. We must however be very proactive in the account selection process.

2048204777

Our partnership with Penske Auto Centers should continue to be encouraged and developed further in Southern California for '97.

It is important that we retain the same location at the Long Beach Expo in '97. We should avoid any saturation areas in the Expo.

### **Bar Nights**

The Bar Night program provides a valuable opportunity to generate names for our database and raise funds for the Buoniconti Fund to cure Paralysis using four Marlboro Indy Car simulators. Prizes are given to the top ten finishers each race night. The promotion is run on a three night schedule usually on a Thursday, Friday and Saturday for four hour periods. A location's success is normally dependent on the number of names generated and the amount of donations collected.

The two establishments selected for the Grand Prix of Long Beach were Live Bait and Jilians both in Long Beach.

#### **Live Bait. March 28, 29, 30, 1996**

This location was used in 1995 and was a problem location last year. Off-Track had to constantly be aware of merchandise theft due to a lack of crowd control around the game areas. Distributing ( Miller Distributor ) insisted that club policies had changed as did the clientele so we went back upon their recommendation. Although only three games were used the weekend was successful. Security and staff were very helpful in controlling the crowds and fun was had by all. The numbers were mediocre.

We may still wish to consider Live Bait next year although four games being used remains our priority.

Name Generation: 245

Buoniconti Fund: \$ 107

#### **Jilians. April 2,3,4, 1996**

This establishment was our official Bar Night location which was included in our regional mailing. The Bar provided strong staff support and but our numbers were average.

Four games is our priority so this may exclude Jilians next year.

Name Generation 287

Buoniconti Fund: \$ 100

#### **Totals for the two weekends were:**

Name Generation 532

Buoniconti Fund: \$ 207

### **Long Beach Expo**

Tremendous response to our Showcar and simulator layout. Off-Track's strong interaction with the crowd provided extensive exposure and enthusiastic response to our display area. The

2048204778

use of the Showcar was maximized upon as spectators were asked trivia questions about Marlboro Team Penske to win prizes. Very tight, professional execution.

We did not have coupon redemption from the regional mailing at the Long Beach Expo to give to Marlboro Team Penske cardholders. There were no complaints and this change in the program did not hurt our name generation numbers. Last years total was 5457 names generated compared to 5286 names generated this year. A 1% decrease which is negligible. However what is significant is the number of gifts that were distributed last year compared to this year fro the regional mailing. 2 614 gifts were given out at the Expo last year compared to 253 gifts given out at Jilians this year. If we use this years gift as an example which is a hat ( \$2.65 value ). We've saved ourselves \$6 256.65 without effecting our name generation numbers.

2048204779